

EXHIBIT C

WHOLESALE POWER CONTRACT

by and between

BASIN ELECTRIC POWER COOPERATIVE

and

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

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AGREEMENT made as of March 3, 1983, between Basin Electric Power Cooperative (hereinafter called the "Seller"), a corporation organized and existing under the laws of the State of North Dakota, and East River Electric Power Cooperative, Inc. (hereinafter called the "Member"), a corporation organized and existing under the laws of the State of South Dakota:

WHEREAS, the Seller has constructed electric generating plants and a transmission system and may construct additional generating capacity or purchase or otherwise obtain electric power and energy for the purpose, among others, of supplying electric power and energy to borrowers from the Rural Electrification Administration which are or may become members of the Seller; and

WHEREAS, the Seller has contracted for the introduction of the power and energy produced by such electric generating plant into the transmission system of the Western Area Power Administration (hereinafter called "WAPA"), successor to the Bureau of Reclamation for delivery through facilities of WAPA, including both transmission lines and substation equipment to its Members; and

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WHEREAS, the Seller, along with other electric cooperatives, has entered into a contract with WAPA to establish a "Joint Transmission System" including specifically described facilities and contemplating additions to said Joint Transmission System under certain conditions, over which said Joint Transmission System Seller may deliver to Member electric service under this contract; and

WHEREAS, the Seller has heretofore entered into or is about to enter into agreements for the sale of electric service similar in form to this agreement with REA borrowers which are Class "A" members of the Seller, and may enter into similar contracts with other such borrowers which may be or become Class "A" members; and

WHEREAS, the Seller may construct delivery facilities to make delivery of power and energy to its Members in addition to delivery facilities of the Joint Transmission System; and

WHEREAS, the Member has heretofore entered into a wholesale power contract with Seller (hereinafter referred to as the "Power Contract") dated April 5, 1962, and amended October 3, 1968, and the parties hereto desire to terminate said Power Contract and amendments thereto on the terms and conditions herein set forth:

NOW, THEREFORE, in consideration of the mutual undertakings herein contained, the parties hereto agree as follows:

1. GENERAL. The Seller shall sell and deliver to the Member and the Member shall purchase and receive from the Seller the electric power and energy which the Member shall require in addition to power and energy

available to the Member from other power sources listed below to the extent that the Seller shall have such power and energy and facilities available provided, however:

- (a) the power and energy purchased hereunder shall be furnished in accordance with the load pattern of the Member system;
- (b) Seller's obligation to furnish and the Member's obligation to receive and pay for electric power and energy hereunder shall commence upon completion of the generation and transmission facilities necessary for service hereunder and upon availability to the Seller of necessary transmission and related facilities including those of WAPA;
- (c) the member shall have the right during the term of this Agreement to continue to obtain power and energy from the Western Area Power Administration-Contract Rate of Delivery together with such hydro allocation or contract rate of delivery granted or assigned to Member by WAPA from time to time.
(It is recognized by the Seller and Member that the Parties' obligation hereunder may be affected by the Public Utility Regulatory Policies Act of 1978 and amendments thereto).

2. Electric Characteristics and Delivery Point(s). Electric power and energy to be furnished hereunder shall be alternating current, three phase, sixty cycle. The Seller shall deliver such electric power and energy into the transmission system of WAPA, and the Member shall receive such power and energy at the point(s) of

delivery on the transmission system of WAPA or the Joint Transmission System established by a Pooling Agreement between the Seller, WAPA and others, and at such other point or points as may be agreed upon by the Seller and the Member.

3. Substation. Delivery of electric power and energy shall be through the necessary substation equipment at the point(s) of connection with the transmission system of WAPA or the Joint Transmission System. The Member shall own and maintain switching and protective equipment which may be reasonably necessary to enable the Member to take and use the electric power and energy hereunder. Meters and metering equipment shall be furnished, maintained and read by the WAPA and shall be located at the point of delivery on either the high or low voltage side of such transforming equipment.

4. Rate. (a) The Member shall pay the Seller for all electric power and energy furnished hereunder at the rates and on the terms and conditions set forth in Rate Schedule "A", and shall be entitled to such credits provided in Exhibit "B ", attached hereto and made a part hereof.

(b) The Board of Directors of the Seller at such intervals as it shall deem appropriate, but in any event not less frequently than once in each calendar year, shall review the rate for electric power and energy furnished hereunder and under similar agreements with other Members and, if necessary, shall revise such rate so that it shall produce revenues which shall be sufficient, but only sufficient, with the revenues of the Seller from all other sources, to meet the cost of

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the operation and maintenance (including, without limitation, replacements, insurance taxes and administrative and general overhead expenses) of the generating plant, transmission system and related facilities of the Seller, the cost of any power and energy purchased for resale hereunder by the Seller, the cost of transmission service, make payments on account of principal of and interest on all indebtedness of the Seller, and to provide for the establishment and maintenance of reasonable reserves. The Seller shall cause a notice in writing to be given to the Member and other Members of the Seller and the Administrator which shall set out all the proposed revisions of the rate with the effective date thereof, which shall be not less than thirty (30) nor more than forty five (45) days after the date of the notice, and shall set forth the basis upon which the rate is proposed to be adjusted and established. The Member agrees that the rate from time to time established by the Board of Directors of the Seller shall be deemed to be substituted for the rate herein provided and agrees to pay for electric power and energy furnished by the Seller to it hereunder after the effective date any such revisions at such revised rates; provided, however, that no such revision shall be effective unless approved in writing by the Administrator.

5. Meter Readings and Payment of Bills. Appropriate operating procedures shall be established to monthly determine the electric power and energy delivered and to be billed by Seller to the Member. Electric power and energy furnished hereunder shall be paid for at the office of the Seller in Bismarck, North Dakota, monthly within fifteen (15) days after the bill therefore is mailed to the Member. If the

Member shall fail to pay any such bill within such fifteen-day period, the Seller may discontinue delivery of electric power and energy hereunder upon fifteen (15) days' written notice to the Member of its intention so to do.

6. Meter Testing and Billing Adjustment. All meters shall be tested and calibrated as provided for in the contract between the Member and WAPA. The Member shall request a special test of meters delivering power or energy to it under the Member's contract with WAPA, upon the request of the Seller. If any special meter test made at the Seller's request shall disclose that the meters are recording accurately, the Seller shall reimburse the Member for the cost of such test. Meters registering not more than two percent (2%) above or below normal shall be deemed to be accurate. The readings of any meter which shall have been disclosed by test to be inaccurate shall be corrected for the ninety (90) days previous to such test in accordance with the percentage of inaccuracy found by such test. If any meter shall fail to register for any period, the Member and the Seller shall agree as to the amount of energy furnished during such period and the Seller shall render a bill therefore.

7. Notice of Meter Reading or Test. The Member shall notify the Seller in advance of the time of any meter reading or test so that the Seller's representative may be present at such meter reading or test.

8. Right of Access. Duly authorized representatives of either party hereto shall be permitted to enter the premises of the other party hereto at all reasonable times in order to carry out the provisions hereof.

9. Continuity of Service. The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy hereunder. If the supply of electric power and energy shall fail or be interrupted, or become defective through act of God or of the public enemy, or because of accident, failure in the joint transmission system, labor troubles, or any other cause beyond the control of the Seller, the Seller shall not be liable therefore or for damages caused thereby.

10. Term. This Agreement shall become effective only upon approval in writing by the Administrator and shall remain in effect until January 1, 2020, and thereafter until terminated by either party's giving to the other not less than six months' written notice of its intention to terminate. Subject to the provisions of Article 1 hereof, service hereunder and the obligation of the Member to pay therefore shall commence upon completion of the facilities necessary to provide service.

11. This Power Contract and any Amendment thereto shall become effective when approved in writing by the Administrator of the Rural Electrification Administration. Upon the approval of the Administrator and effectiveness of this contract, the wholesale Power Contract between the parties hereto dated April 5, 1962, and all amendments thereto shall terminate, and this contract shall be substituted therefore.

EXECUTED THE day and year first above mentioned.

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ATTEST: NORTH DAKOTA

BASIN ELECTRIC POWER COOPERATIVE, Seller

By Terrence Lunsberg
President

Clarence Welander
Secretary

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
Member

By Virgil Fodness
President

ATTEST:

Dwight Nyland